

*Sept. 19 / Administration of George W. Bush, 2001*

Your question to the President?

*President Bush.* Thank you all.

*Indonesia's Response*

*Q.* Are you able to offer the support of your country to this coalition against terrorism?

*President Megawati.* Indonesia has always been against violence. Anything that relates to violence, including acts of terrorism, we will definitely be against it.

NOTE: The President spoke at 11:22 a.m. in the Oval Office at the White House. A reporter referred to Vice President Hamzah Haz of Indonesia. President Megawati spoke in Indonesian, and her remarks were translated by an interpreter.

**Joint Statement Between the United States of America and the Republic of Indonesia**

*September 19, 2001*

As leaders of the world's second and third largest democracies, President George W. Bush and President Megawati Soekarnoputri today vowed to open a new era of bilateral cooperation based on shared democratic values and a common interest in promoting regional stability and prosperity. They agreed that a strong bilateral partnership between the two countries will benefit both nations, the region, and the international community. President Bush and President Megawati emphasized the importance of a strong and prosperous ASEAN and pledged to cooperate to promote those objectives.

President Megawati condemned the barbaric and indiscriminate acts carried out against innocent civilians and pledged to cooperate with the international community in combatting terrorism. She underscored that terrorism also increasingly threatens Indonesia's democracy and national security. The two Presidents agreed that their respective officials would soon discuss concrete ways to strengthen bilateral cooperation on counter-terrorism, in particular on capacity and institution building. They further affirmed their intention to expand cooperation to combat other transnational crimes, including piracy, organized crime,

trafficking in persons, narcotics, and smuggling of small arms.

President Bush expressed his conviction that Indonesia's transition to democracy is one of the most significant developments of this era. Noting the great importance the United States attaches to Indonesia's success, he pledged his support for President Megawati's efforts to build a stable, united, democratic and prosperous Indonesia. In that context, President Bush pledged to work with Congress to secure the Administration's request for at least \$130 million in bilateral assistance for Indonesia in fiscal year 2002, with a special focus on assisting Indonesia's efforts with legal and judicial reform. Recognizing the priority President Megawati places on rebuilding communities in conflict zones, President Bush pledged an additional \$10 million to assist internally displaced persons, with a focus on the Moluccas. He further pledged \$5 million for Aceh, to support reconciliation, help rebuild schools and other infrastructure destroyed in the ongoing violence, and assist with economic development projects, including environmental improvements and transportation. To strengthen Indonesia's law enforcement capability, President Bush also committed,

subject to Congressional approval, to provide \$10 million in police training.

The two Presidents discussed the situation in the provinces of Aceh and Irian Jaya and agreed on the urgent need for peaceful resolution of separatist pressures. President Megawati affirmed her determination to pursue a multidimensional approach to these regions, including implementation of special autonomy, resource sharing, respect for cultural identity and human rights, restoration of peace, order and the rule of law, and continued efforts at dialogue and reconciliation. President Bush reiterated the firm support of the United States for Indonesia's territorial integrity and emphasized that the U.S. does not support secessionist aspirations in these areas or elsewhere.

President Bush and President Megawati agreed to work together to support a stable and prosperous independent East Timor. The Presidents further agreed on the urgent need to find a comprehensive solution to the remaining problems of East Timorese in West Timor, East Nusa Tenggara province, notwithstanding the significant assistance already provided by the United States to alleviate Indonesia's burden. Recognizing that the plight of internally displaced persons (IDPs) still in West Timor is both an Indonesian and an international problem, the two leaders agreed to cooperate in developing a comprehensive plan that supports and implements the choice of remaining IDPs to resettle or return to East Timor. In their discussions, President Bush committed to provide both technical assistance and seed money in the amount of \$2 million dollars to help Indonesia develop and implement a credible plan, and to assist with the resettlement of those who choose to stay in Indonesia. The United States and Indonesia further pledged to work together to seek additional international support, upon completion of the plan.

The two Presidents agreed that economic reform and restructuring are pressing chal-

lenges now facing Indonesia. President Bush expressed strong support for President Megawati's commitment to press ahead with structural economic reforms, including privatization of banks and the disposal of assets within the Indonesian Bank Restructuring Agency. President Megawati underscored her determination to improve Indonesia's investment climate, in particular by strengthening the rule of law, resolving outstanding investment disputes, and protecting investors' assets and property.

As an expression of confidence in both President Megawati's leadership and the enormous potential of the Indonesian economy, President Bush announced that the three U.S. trade finance agencies—the Export Import Bank (ExIm), the Overseas Private Investment Corporation (OPIC), and the U.S. Trade and Development Agency (TDA)—have developed a joint trade and finance initiative to help promote economic development in Indonesia. The three agencies will undertake to provide up to a combined \$400 million to promote trade and investment within Indonesia, especially in the Indonesian oil and gas sector.

The two Presidents resolved to work closely to expand trade bilaterally, regionally and globally. President Bush agreed to provide Indonesia \$100 million in additional benefits under the Generalized System of Preferences (GSP). To explore prospects for the further expansion of trade and commercial ties, the two Presidents directed their Trade Ministers to re-establish and convene the U.S.-Indonesia Trade and Investment Council at a mutually convenient date, based on the preparatory work already undertaken by senior officials in Jakarta on September 10. Both leaders noted the importance of open markets and expanded trade for economic growth and agreed on the importance of launching a new round of WTO negotiations at Doha, taking into account the need for a balanced agenda that reflects the interests of all WTO members.

President Bush recognized the important role of the Indonesian military (TNI) as a national institution and both leaders observed the importance of military reforms in Indonesia's democratic transition. In that regard, the two Presidents agreed to expand modest contacts and resume regular meetings between their militaries to support Indonesia's efforts at military reform and professionalization. Upcoming activities will include Indonesian participation in a variety of conferences, multilateral exercises, subject matter exchanges on issues such as military reform, military law, investigations, budgeting and budget transparency, as well as humanitarian assistance and joint relief operations.

President Bush and President Megawati agreed that military-to-military relations, while important, should constitute only one aspect of the bilateral security relationship and that the two countries should cooperate to increase civilian participation in Indonesian defense and security issues. To promote this objective, the two leaders agreed to establish a bilateral Security Dialogue under the supervision of their respective civilian ministers of defense, which would provide an opportunity for an exchange of views on a broad range of security and defense issues. To further support President Megawati's efforts to foster proper civil-military relations in Indonesia's new democratic setting, President Bush also expressed his commitment to work with Congress to allocate \$400,000 to educate Indonesian ci-

vilians on defense matters through the Expanded International Military Education and Training.

President Megawati expressed her full appreciation that Indonesia must resolve outstanding issues relating to past human rights violations, especially in conflict zones. She asserted that as a state based on the rule of law, respect for human rights, and freedom of religion, Indonesia recognizes the importance of accountability for human rights abuses. In that context, and in the spirit of their shared commitment to promote reform and professionalization of the military in a democratic Indonesia, President Bush announced that the United States would lift its embargo on commercial sales of non-lethal defense articles for Indonesia, with individual applications to be reviewed on a case by case basis, as is standard practice in the United States.

The two Presidents noted that both the United States and Indonesia were founded on the belief that a nation's diversity is a source of strength, not weakness—a concept embodied in their respective national mottos. They pledged to build on this shared belief as a basis for strengthening the bonds between their two peoples and for forging a new era of cooperation to advance their common interests.

NOTE: An original was not available for verification of the content of this joint statement.

### **Joint Statement Between the United States of America and the Republic of Indonesia on Terrorism and Religious Tolerance** *September 19, 2001*

President George W. Bush and President Megawati Soekarnoputri today condemned the September 11, 2001 attacks on the United States and pledged to strengthen existing cooperation in the global effort to

combat international terrorism. On behalf of the 210 million people of Indonesia, President Megawati expressed her deepest sympathies to the American people and pledged solidarity with the United States